LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 7180 NOTE PREPARED: Jan 2, 2004

BILL NUMBER: SB 287 BILL AMENDED:

SUBJECT: I-Light Fiber Optic System.

FIRST AUTHOR: Sen. Ford BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill requires the Indiana Higher Education Telecommunications System (IHETS) to establish partnerships among persons providing telecommunications, information technology and other relevant resources, technologies, and services to connect Indiana communities to the I-Light fiber optic system.

Effective Date: July 1, 2004.

Explanation of State Expenditures: IHETS could experience some additional expenses in establishing partnerships among persons providing telecommunications, information technology and other relevant resources, technologies, and services to connect Indiana communities to the I-Light fiber optic system. The increase in expenses would probably be minor and could be paid with existing revenues.

Background: I-Light is a very high speed optical fiber network connecting Indiana University Bloomington, Indiana University—Purdue University Indianapolis, and Purdue University West Lafayette to each other. I-Light also connects all three campuses to the national Internet infrastructure, including Internet2.

Discussion for the optical fiber network began in 1998. A \$5.3 M state appropriation to IU and Purdue was approved by the Indiana General Assembly in 1999. Construction of the network began in the spring of 2001. Verizon was selected to install the conduit and optical fiber lines that comprise the network. Juniper Networks and Cisco Systems were selected to provide the systems and equipment necessary to transmit data on the network. Network installation concluded in November 2001.

Explanation of State Revenues:

SB 287+

Explanation of Local Expenditures: Local units could experience some increased expense in connecting to the I-Light fiber optic system. The new system would increase the speed and connectivity of the local units and could represent long-term savings in expenditures.

Explanation of Local Revenues:

State Agencies Affected: Indiana Higher Education Telecommunications System.

Local Agencies Affected: All.

Information Sources: http://www.iupui.edu/~ilight/factsheet.html.

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SB 287+